NATIONAL DEFENSE UNIVERSITY

NATIONAL WAR COLLEGE

MEXICO, CENTRAL AMERICA AND THE CARIBBEAN:

A STRATEGIC ASSESSMENT

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CLASS OF 1998
COURSE 5604
26 FEBRUARY 1998

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Report Documentation Page

Form Approved
OMB No. 0704-0188

1. REPORT DATE	2. REPORT TYPE	3. DATES COVERED
26 FEB 1998		**26-02-1998 to 26-02-1998**

4. TITLE AND SUBTITLE	5a. CONTRACT NUMBER
Mexico, Central America and the Caribbean: A Strategic Assessment	5b. GRANT NUMBER
	5c. PROGRAM ELEMENT NUMBER
6. AUTHOR(S)	5d. PROJECT NUMBER
	5e. TASK NUMBER
	5f. WORK UNIT NUMBER
7. PERFORMING ORGANIZATION NAME(S) AND ADDRESS(ES) **National War College,300 5th Avenue,Fort Lesley J. McNair,Washington,DC,20319-6000**	8. PERFORMING ORGANIZATION REPORT NUMBER
9. SPONSORING/MONITORING AGENCY NAME(S) AND ADDRESS(ES)	10. SPONSOR/MONITOR'S ACRONYM(S)
	11. SPONSOR/MONITOR'S REPORT NUMBER(S)

12. DISTRIBUTION/AVAILABILITY STATEMENT
Approved for public release; distribution unlimited

13. SUPPLEMENTARY NOTES

14. ABSTRACT
see report

15. SUBJECT TERMS

16. SECURITY CLASSIFICATION OF:			17. LIMITATION OF ABSTRACT	18. NUMBER OF PAGES	19a. NAME OF RESPONSIBLE PERSON
a. REPORT	b. ABSTRACT	c. THIS PAGE			
unclassified	**unclassified**	**unclassified**		**14**	

Standard Form 298 (Rev. 8-98)
Prescribed by ANSI Std Z39-18

In the bipolar world of the previous decade, U. S national security was necessarily focused outside its own hemisphere. In the 1990's, with the collapse of the Soviet Union and the end of the cold war, the emphasis of U. S. policy continues to be directed to the east and west even though significant threats and opportunities exist in its own backyard. Mexico and the nations of Central America and the Caribbean, many of which were U. S. partners in containing communism, are increasingly developing politically and economically, and offer excellent opportunity to advance the core objectives of U. S. policy -- security, prosperity and democracy. This assessment will examine Central America, Mexico and the Caribbean using the geopolitical framework in order to develop a more effective national security strategy for this area.

CONTEXT

In the past, the United States has been schizophrenic and reactive in its policies toward its neighbors to the south From 1917 to the end of the cold war, our concerns rested primarily in ensuring no outside power — particularly Germany and the Soviet Union -- gained a military stronghold in this region. During the cold war, the region was seen as important to containing communism and preventing it from threatening U S. borders Consequently, the U. S. would respond to crises, or perceived crises, quickly and decisively, usually with military force. But, there was no comprehensive long-range national security policy for this particular region. Despite the end of the cold war, the United States continues to focus on this region principally in response to a crisis, either political or economic. Once the crisis has been resolved, however, the United States shifts its focus again to other "more critical" regions. There is still no effective long-

range, comprehensive national strategy that addresses this region.

It is not surprising then that the nations of this region are sometimes suspicious of the United States and its motives for what they perceive as interference in their affairs. Mexico, in particular, mistrusts the U. S. and is very protective of its sovereignty, especially in view of the frequent American intervention in its economic crises. The issues of sovereignty and the inequity of power and wealth between the U S. and these nations further complicate relations

Today, these nations of the Western Hemisphere are more prosperous, more democratic and more interdependent than ever before. There are few if any external threats and they are interwoven economically, politically and with regard to security with one another and with the United States. Thus, on the surface, the area appears to be secure and stable However, beneath this façade of security, democracy and prosperity there are significant challenges that effect not only the nations of this region but the United States as well.

Economy The current decade's economic trend is positive throughout much of the region.[1] Every Latin American and Caribbean nation has made significant economic reforms with extremely encouraging results. As Figure 1 illustrates, except for Cuba and Haiti, the annual rates of GDP growth for this region have increased during the 1990's. Inflation rates have declined throughout Latin America — from 1200 percent yearly average in 1991 to 20 percent in 1997 Economic emphasis throughout Latin America and the Caribbean has focused on competitive open markets, foreign trade and private enterprise.[2]

Annual Rate of GDP Growth

	1981-1990	1991-1996
Latin America	1 1	3.1
Caribbean	0.1	1 5
Argentina	-0.3	4 7
Bolivia	0 2	4 0
Brazil	1.3	2.7
Chile	3 0	7 0
Colombia	3 7	4.4
Costa Rica	2.2	3 7
Cuba	3.7	-4 8
Dominican Rep	2.4	4.3
Ecuador	1.4	3.4
El Salvador	-0.4	5.6
Guatemala	0.9	4.1
Haiti	-0 5	-2.4
Honduras	2 4	3.4
Jamaica	2.2	0.9
Mexico	1 9	2.0
Nicaragua	-1 5	2.4
Panama	1.6	4 5
Paraguay	3 0	2 9
Peru	-1.2	5 1
Uruguay	0 0	3 8
Venezuela	-0 7	2.4

Source: Data from ECLAC, "Preliminary Overview of the Economy of Latin America and the Caribbean, 1996"

Figure 1

With bilateral and multilateral trade agreements such as the North American Free Trade Agreement (NAFTA), the Free Trade Area of the Americas (FTAA) and the Caribbean Basin Initiative-enhancement (CBI), foreign investment and trade has and is expected to continue to increase. Latin America is the fastest growing market for U. S. exports accounting for nearly one half the amount exported to Europe. Additionally, the Caribbean Basin has become the fourth largest market for American

exports while Mexico is now the third largest trading partner with the United States. The United States also imports more and more products from Latin America including Mexican oil, reportedly the second largest oil reserve outside the Persian Gulf.[3] More than forty percent of the goods exported from this region are destined for the United States.

Despite these positive signs, however, the region continues to struggle economically. Approximately 60 percent of the population of Central America is poor with the gap between "haves" and "have nots" growing increasingly wider. Latin America has the largest differences between the wealthy and the poor of any area of the world with 60 percent of the income going to the wealthiest 20 percent of the population.[4] Mexico reported more than 40 percent of its population is under the poverty threshold with similar inequities in earnings.[5] Unemployment throughout the region is high and is expected to remain so. Poverty and the resultant feeling of hopelessness lead to unrest, migration and crime including drug-related activity.

Democracy With the notable exception of Cuba, the countries of Central America, the Caribbean Basin and Mexico have made significant progress toward democracy. They have freely elected, democratic and civilian presidents--most noteworthy perhaps being the recent election of President Zedillo in Mexico which signaled the end of the long standing reign of the Institutional Revolutionary Party (PRI).[6] There has also been a move away from governments ruled by the military toward civilian controlled governments and, although the military is not universally under civilian control, its power within most governments has been reduced.[7] Most countries are governed according to a constitution and democratic processes such as

freedom of the press and human rights are becoming more common. Shared democratic policies have facilitated increased interest in regional cooperation through more open communications among governments and through multilateral institutions such as the Organization of American States (OAS).

However, many of these democracies continue to be plagued by corruption, incompetence and weak judicial and legislative systems. Although elections are more democratic and fair than ever before, there are still questions and concerns regarding the legitimacy of some elections. Most governments in this region have not internalized the democratic principles of transparency and accountability. Symptomatic of weak democratic leadership is the increased crime and violence throughout the region including political unrest such as revolts in Guatemala and the 1994 uprising in Chiapas, Mexico[8]. This political uncertainty coupled with the area's poor economic condition contributes to a questionable and arguably volatile future

Security Security threats to and from the region have changed over the past decade and are no longer the "extracontinental" threat of communist expansion. Fed by economic concerns and allowed to flourish because of weak democratic government, current threats are homegrown such as drug trafficking with its associated maladies and mass migration and its impact on U. S. economy and social structure.[9] Nations are seeking a more interdependent, regional approach to security through organizations such as the Regional Security System (RSS).

U. S. NATIONAL INTERESTS AND THREATS

Because of its proximity to the United States, the primary national interest in the Caribbean, Central America and Mexico continues to be the stability of the region.

Therefore, the greatest threat this area poses to the United States is regional instability. Without an external threat as in the cold war, stability today is defined more in terms of democracy, economy and control over U. S borders.

Democracy. It is in the U. S. interest to support the growth of democracies in our neighboring countries. Democracies historically are more peaceful, more cooperative with one another, and less accepting of human rights violations. They are more likely to develop political and economic alliances especially through economic trade agreements. It is concerning that some democracies in the Western Hemisphere are struggling to fully implement democratic principles and one, Cuba, has yet to embrace democracy at all.

Economic Stability Continued economic growth within the region will benefit the American economy through reciprocal trade agreements. As previously mentioned, access to Mexican oil resources is a vital interest to the United States. Without question, it is in our interest to support economic growth in this area not only to facilitate increased trade but also as a method for reducing illegal drug trafficking and migration to the United States that threaten our borders.

Control of U S Borders. Finally, control of our borders is also a national interest In this regard, it is essential to control the illegal migration and drug trafficking that routinely threaten our borders from the Caribbean, Mexico and Central America

Approximately three to five hundred thousand illegal immigrants cross U. S. borders annually straining social, immigration and penal systems as well as the relationships between the U S. and its neighboring states. Most illegal immigrants are escaping the poverty of their native homelands with a hope for a better, more

prosperous life. The problem is severe and the examples are many. In 1994, Haiti accounted for thousands of illegal refugees -- boat people -- fleeing economic and political strife leading to eventual military interdiction in Haiti. Cuban and Haitian refugees were detained in Guantanamo Bay at a cost of millions of U. S. Defense Department dollars to operate and maintain. In fact, "Cuba has used illegal migration as an instrument of foreign policy,"[10] opening its prisons and asylums to allow inmates to escape to America. There is growing concern that Castro's demise could result in millions of refugees escaping to this country. The continuous flood of illegal immigrants over the 2000-mile border with Mexico strains U. S - Mexican relations, contributes to border violence and costs American taxpayers millions annually. Illegal immigrants often find themselves unemployed having to resort to crime to survive.

A significant threat to our borders lies in drug trafficking and related crime that, like a cancer, if left unchecked, will continue to eat away at the fabric of American society The close proximity of the Caribbean, Mexico and Central America makes this area an excellent conduit for drugs coming from South America to the United States To give only a few examples of the magnitude of the drug threat: "approximately 70 percent of the cocaine, 50-80 percent of the marijuana, 5-15 percent of the heroine and up to 80 percent of the methamphetamines consumed in the U. S. enter through Mexico.[11] Although some production of marijuana occurs in the Caribbean, this area is known primarily for trafficking and money laundering. Approximately $50 - $70 billion of laundered money moves through the U. S. annually.[12] Efforts to eliminate the flow of drugs through interdiction by the U. S. military and through bilateral or multilateral agreements such as Mutual Legal Assistance Treaties (MLATs), Inter-American Drug

Abuse Control Commission and the United Nations International Drug Control Program (UNDCP) have had limited success at best. Controlling drug trafficking to the United States remains one of this country's most significant priorities and challenges.

TRENDS AND SCENARIOS

Of the infinite number of scenarios the situation in the region might follow in the near term, this assessment will examine the extremes of the possibility spectrum. In the best case scenario, Cuba makes a "soft landing" after Castro's regime ends, democratic institutions take root and Cuba becomes a responsible actor in the region Further, western style democracy becomes irrevocably entrenched throughout the region, leading to economic stability and an environment encouraging growth and investment. Finally, an effective regional solution to the drug problem and its associated destabilizing infrastructure is found and implemented.

On the other end of the spectrum, and in some cases more likely without outside influence, is a completely different scenario. Cuba could implode with Castro's demise, leading to immigration/migration on a scale never before experienced in this hemisphere Economies could fail to continue their positive trends, leading to discontent and the move toward liberal democracy could falter. Mexico's economy could fail, resulting in incomprehensible expense for the United States to bail them out or to absorb the uncontrollable resultant migration.

Neither of these scenario extremes are likely however, a U S national security strategy should be implemented to encourage an outcome oriented toward the positive end of the scale

POLICY OBJECTIVES AND MEANS

The overarching U.S. policy objectives -- prosperity, security, and democracy -- guide the current U.S. policy objectives in the region of interest, ultimately attempting to shape a more stable region. As stated in National Security Strategy for a New Century, "Continuing to nurture advances toward democracy and market in our own hemisphere remains a priority."[13]

The United States is attempting to promote democracy using various instruments of power, including military, economic, and diplomatic. With all nations except Cuba having some form of democratic government, positive economic tools are being used to reinforce the democratic process, and negative economic sanctions are being used against Cuba to marginalize the repressive Castro regime.[14] The military has been used to intervene in Haiti and Panama to support legitimate democratic governments, and the United States is attempting to "strengthen norms of defense establishments that are supportive of democracy"[15] through bilateral education and training focused on promoting improved U.S. style civil-military relations The diplomatic tool is used to support and legitimize democratic reform through regional organizations such as the OAS

The objective of improved U.S prosperity is addressed through attempts to improve access to regional markets and ensure access to Mexican oil resources. Primary instruments used to achieve this objective are trade agreements such as NAFTA and CBI.[16] Additionally, promoting democracy and stability in the region ensures access to and encourages investment and economic growth.

The security objective of controlling illegal drug trafficking is being addressed using multiple instruments. Militarily, the United States is cooperating with regional militaries to eradicate or interdict drug crops and shipments Diplomatically and economically, political pressure and economic aid are tied to local governments' anti-drug programs. Security of U.S. borders has been addressed through domestic programs of border guard and control and through bilateral agreements between Mexican and United States police agencies.

STRATEGY RECOMMENDATIONS

Current U.S. policy for the Caribbean, Mexico, and Central America has traditionally been myopic, forcing the United States too often to react to crisis in lieu of taking and maintaining the initiative in the region. In order to adopt a more proactive strategy for the region, the U S. must address the causes instead of reacting to the symptoms Additionally, for any U. S. strategy to be effective in the region, the United States cannot be perceived as imposing its will. Considering the context and the latent mistrust of their neighbors to the north, the United States must take a regional approach to implement the strategy, respecting the sovereignty of its southern neighbors.

Looking at the core U.S. objectives--prosperity through market access, democracy, and security of the United States from uncontrolled immigration and drugs--all are tied to stability. Stability ensures access to markets and resources. It also encourages economic growth, which creates an environment encouraging democratic governments that are respectful of human rights. In other words, it encourages

responsible government because they want to continue the economic growth or access. Instability on the other hand, will lead to mass migration/emigration. Therefore, a long-range policy should be focused on the causes of and prevention of instability.

Primary causes of instability in the region are poor local economies, Cuba, and narco-trafficking. The weight of resources should be leveraged against these threats in order to prevent reacting to the undesirable impacts. The approach toward regional economies should be to continue efforts to expand NAFTA to include other responsible actors in the region. Also, protectionist policies against single product markets (sugar, bananas) in Caribbean countries should be abandoned in favor of a more open, competitive market

United States policy toward Cuba requires a significant change in focus Current U.S. objectives are to marginalize Castro and encourage a peaceful transition to democracy. The United States must realize there is no guarantee democracy will immediately follow Castro's demise, and that his fall under the current Cuban domestic situation would most likely have a tremendous destabilizing effect The United States should start preparing Cuba now for a "soft landing" when Castro does leave office, realizing that in the short term stability is more important than democracy As a region, sanctions should be reduced or lifted from Cuba so the economy and infrastructure is in place to survive a transfer of leadership. Otherwise, the United States should begin preparations now to accept the attempted mass-immigration surely to follow a Cuban implosion

Narco-trafficking to the U.S. continues to be a highly emotional domestic issue because of the social and economic impacts the drug problem is creating Current

policy, although addressing the demand, is still supply oriented and usually bilateral or unilateral. A more balanced approach with a regional orientation would promise better results than current strategies. The United States should increase the emphasis on reducing domestic demand through education, treatment, and prosecution. Not only would this reduce demand, but also it would indicate to our regional partners that the United States is sharing the burden and realizes it is not just an external problem.

To address the supply side of the equation, the United States should sponsor the forming of a regional, multinational, civilian led, counter-drug organization This agency should be tasked with formulating and prosecuting the drug war outside of U.S. territory. Multinational police and military forces involved in counter-drug operations should be subordinate to the regional civilian counter-drug agency. Although tactics and strategy may differ little from current U.S. strategy, it would be more likely to have the support of regional partners.

END NOTES

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